

OCA 86-2081  
24 June 1986

NOTE FOR: DCI

THROUGH: Dave Gries

FROM:

SUBJECT: Status of Diplomatic Security Bill in the Senate

After it completes its work on the tax reform bill in the next day or so, the Senate will take up the diplomatic security bill. Up to now, the key preambular provision in the Senate bill preserving our equities has been similar to, but not identical with, its counterpart in the House-passed bill. The House version, which we prefer, says that "nothing" in the bill shall be construed to impair the authority or responsibility of other agencies with respect to intelligence activities. The Senate bill would have the President "prescribe regulations as may be necessary" to ensure that this is the case.

In response to a letter you sent previously to Shultz, State has advised us and Lugar that it would have no objection to substituting the House version "at an appropriate time", preferring that it be done quietly at the House/Senate Conference rather than as an amendment on the Senate floor. OMB has taken essentially the same position; i.e., no objection to the change at Conference, but not as a floor amendment. State and OMB believe a floor amendment would be "embarrassing" since it could be construed as an Administration admission that the President doesn't have the authority or ability to come up with rules in this area.

Our basic objection to the Senate version is the vague reference to Presidential "regulations", which could entail an open, time-consuming and bureaucratic process. In accordance with your instructions to Dave at today's morning meeting, I have called Lugar's staff to reiterate that you felt strongly on this issue and were prepared to call Lugar if we couldn't get things resolved. This prompted them to offer to drop the reference to "regulations" from the bill. I was assured this change can be made without an amendment so that the provision will now simply direct the President to "assure" that the bill does not impair or limit any intelligence activities.

Thus, it now appears that the final House and Senate versions will be almost identical. For this reason, I don't think a call to Lugar is necessary. At the Conference, we can still push for the House version, but in any case, I believe our equities and the status quo with State will be adequately preserved. OGC concurs in this assessment.

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